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FILE ONLY 3 August 1985 2 Held in Iran Arms Plot

Suspected in Prior Cases
For example

WASHINGTON, Aug. 2 — Federal investigators, having foiled what they said was a plot to smuggle missiles from the United States to Iran, said to day that they were seeking to determine whether some of the people arrested in the last two days previously shipped arms to Iran.

In addition, unrelated cases involving the purported smuggling of American military equipment to Iran are said to be under investigation. Jeffrey Modisett, an assistant United States atorney in Los Angeles, said charges in one case were expected later this month in that city.

The Federal Bureau of Investigation reported Thursday that it had arrested six people in what the Government said was a plot to smuggle more than \$75 million in advanced missiles and weapons to Iran.

Government sources said the bureau was particularily interested in two of those arrested, Paul Sjeklocha, a military science writer in San Jose, Calif., . and Lieut. Col. Wayne G. Gillespie of Alexandria, Va., who worked at the Pentagon in the Army Matériel Command and held top-secret clearances. According to documents released Thursday, Mr. Sjeklocha and Colonel Gillespie had previous dealings.

\$6 Million Profit Reported

An F.B.I. affidavit filed Thursday said Mr. Sjeklocha told one of the bureau's undercover agents that "he has been dealing in arms with Iran for the last two years and has sold them enough arms to net between \$6 million and \$8 million dollars in profit." The affidavit also said Mr. Sjeklocha "had used Gillespie before in France and Germany to check items for him."

The missile case is the latest in a series of incidents in which the F.B.I. and the United States Customs Service have uncovered what they said were attempts to smuggle arms and military equipment to Iran over the last year. In many of these cases the arms were said to have been seized before they reached Iran.

Although the arms shipments are said to have originated from many places throughout the United States and to involve a variety of equipment and differing participants, there are many common threads. Similiar methods of operation, according to Federal law-enforcement officials, stem from what they describe as a concerted, well-financed effort by Iran to obtain military equipment and parts for its nearly five-year-old war against Iraq.

What makes this illegal arms market work, the officials say, is money. Documents released Thursday maintain that that Iran is willing to pay pre-mium prices for weapons, while suppliers, including various middlemen and brokers, make tremendous profits by raising the cost of the weapons two or three times their original price.

Iranian Offices Linked to Deals

Federal officials say that Iran, in trying to obtain American arms, often uses a complex network of people and transactions, including middlemen in the United States, Britain, Portugal and West Germany, transshipment of equipment through Europe and international financial transactions. The officials say these deals sometimes involve the use of Iranian offices in Eu-

For example, an indictment last October in Chicago involving a purported conspiracy to export aircraft parts to Iran named two Chicago businessmen and three British middlemen who were directed by the Iranian procurement office in London.

In another case, Amir M. Motamedi, a part-time Iranian student in Los Angeles, pleaded guilty last April to illegally exporting spare parts for mili-tary equipment. Justice Department officials said Mr. Motamed had acted as a purchasing agent for Iran, with money flowing to him from Iran through London and goods going back to Iran through Britain.

The smuggling stems from an American prohibition on exports to Iran that went into effect in November 1979 after the United States Embassy in Teheran was seized and embassy personnel were held hostage. Iran still has bil-lions of dollars in American military equipment that it acquired before followers of Ayatollah Ruhollah Khomeini overthrew the Shah early in 1979.

In its efforts to acquire American arms, Iran apparently went so far as to send a procurement official on a "shopping" mission to the United States. Among those arrested in the case discount of the sense of th closed Thursday was Hossein M. Azar, who described himself to associates as an official of the Iranian Government. Federal officials have not publicly confirmed Mr. Azar's officials status, but have privately given prosecutors infor-mation that supports Mr. Azar's claim.

At a bail hearing Thursday in Los Angeles, Mr. Azar put off a discussion of his status when he asked that the hearing be extended until next Tuesday.

Fahrin Sanai, another defendant in the case, also requested a delay until Tuesday. Colonel Gillespie was unable to raise his bond, which was set at \$100,000, and has been ordered to appear in Orlando, Fla.

Two other defendants were held without bond. One defendant, George Neranchi, a San Jose magazine publisher, was released on a \$25,000 bond

after pleading not guilty in San Jose.
Government officials said a Federal grand jury was expected to return indictments in the case soon.